

# **SCHIP Reauthorization November 6, 2008**

- What SCHIP Is.
- What Ca has done with SCHIP.
- Reauthorization of SCHIP.
- SCHIP looking forward.

# What SCHIP Is

- Federal Balanced Budget Act of 1997\* created:
  - State Children's Health Insurance Program (SCHIP)
- Consists of 2 to 1 federal matching funds for states to provide health insurance coverage for “target low-income” children.
- Purpose: with SCHIP, states can:
  - expand Medicaid for children, or
  - create a new children's program, or
  - both.

# What California Has Done With SCHIP

- California has done both:
  - Expanded Medi-Cal to serve more children in Medi-Cal, and
  - Created the Healthy Families Program (HFP) and later approved the Access to Infants and Mothers (AIM) program up to 300% federal poverty level (FPL).
- Ca is the largest SCHIP in the US:
  - Ca serves over one million uninsured children and pregnant women

# SCHIP Reauthorization

- SCHIP originally gave 10 years of funding ending in Sep '08 because President and Congress could not agree on long-term funding.
- S 2499 (Baucus)\* passed 12/29/07 reauthorized federal SCHIP funding through March 31, 2009.
  - There are five months of SCHIP remaining.

# SCHIP Looking Forward

- SCHIP is not an entitlement. Waiting until funding runs out to reauthorize makes it difficult to administer the program.
- The economic downturn makes it difficult for states to find the revenue with which to pull down matching federal SCHIP funds.
- Health care reform is important, but might overshadow SCHIP funding.



# SCHIP Looking Forward

- Congress should do something to make it easier to obtain SCHIP funds, such as altering the matching ratio.
- So this has to be at the top of everyone's agenda when Congress convenes.



# SCHIP Looking Forward

- New Federal Mental Health Parity law\* may change CalPERS' health benefits, which are the benchmark for HFP and AIM health benefits, thereby increasing the cost of these programs.



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